REMARKS

Claims 1-26 are currently pending in the application. Claims 1-26 were rejected. Claims 1, 3, 5, 10, 12, 22, and 25 have been amended. Claim 2 has been canceled without prejudice.

The Examiner rejected claims 1, 21, and 25 under 35 U.S.C. 101 as being directed to abstract ideas. The rejection is respectfully traversed.

In rejecting these claims as being directed to abstract ideas, the Examiner referred to Exparte Bowman 61 USPQ2d 1669 (Bowman) decided by the U.S. Patent and Trademark Office Board of Patent Appeals and Interferences (the Board) on June 12, 2001. The Examiner went on to say that the "mere recitation of a physical object (a wide area network) in the process is NOT ENOUGH to place the process in the technological arts." The Applicants respectfully disagree with the Examiner's characterization of the holding in Bowman.

In Bowman, the Board noted that "the disclosed and claimed invention is directed to nothing more than a human making mental computations and manually plotting the results on a paper chart," Id. at 1671. The Board went on to say that "the invention before us is nothing more than an abstract idea which is not tied to any technological art, environment, or machine," and that "a human manually drawing a chart and plotting points on this chart, do not automatically bring the claimed invention within the technological arts." Id. At 1671. In other words, the court implied that if the abstract idea were tied to a technological environment it would constitute statutory subject matter. In any case, the holding in Bowman applies where there is no connection to a "technological art, environment, or machine." This is clearly not the case for the present application in that the claims of the present application are explicitly tied to such an environment, i.e., a wide area network. Thus, the Examiner's attempt to extend the holding of Bowman is inappropriate.

Moreover, in State Street Bank & Trust v. Signature Financial Group, 47 USPQ2d 1596 (Fed. Cir. 1998) (State Street), the CAFC stated that "a process, machine, manufacture, or

patentable subject matter even though a law of nature, natural phenomenon, or abstract idea is patentable subject matter even though a law of nature, natural phenomenon, or abstract idea would not, by itself, be entitled to such protection." Id. at 1601 (emphases added). The court went on to add that "a machine programmed with...software" and which "produces a useful, concrete, and tangible result" is statutory subject matter. Id. at 1602.

In the instant application, we have a computer-implemented method (claim 1), i.e., a process, and a computer program product (claim 25), both of which produce useful, concrete, and tangible results, i.e., the facilitation of transactions in a wide area network. Therefore, under both Bowman and State Street, these claims qualify as statutory subject matter under 35 U.S.C. 101. In view of the foregoing, the rejection is believed overcome. Claims 21 and 26 are also believed to recite patentable subject matter for at least the reasons discussed.

The Examiner rejected claims 13, 14, 16, 18-20, 23, and 24 under 35 U.S.C. 112, second paragraph, for failing to particularly point out and distinctly claim the subject matter which the Applicant regards as the invention.

With regard to claim 13, the rejection is respectfully traversed. No antecedent basis is required for the claim term to which the Examiner referred. The recited term "system bids" is the first occurrence of this term in the claims and itself provides antecedent basis for any further use of the term in the claims. The term is not preceded by an indefinite article because it is a plural noun and no indefinite article is available.

With regard to claim 14, these claims are clear on their face and are supported by the exemplary embodiment described in the present specification beginning at page 43, line 8, with reference to Figs. 29 and 30. More specifically, the exemplary embodiment described in the specification illustrates how the third party user may select from among a plurality of criteria to create a subset of those criteria which defines a particular business rule.

With regard to claim 16, the Examiner's attention is again directed to the portion of the

specification beginning at page 43, line 8. That is, the language is clear on its face and is supported and illustrated by this portion of the specification. More specifically, using the interfaces of Figs. 29 and 30, the third party user can specify what type of response a particular business rule should implement if the criteria to which the business rule corresponds are satisfied.

With regard to claims 18-20, the language to which the Examiner objects is supported and illustrated by the specification by the exemplary embodiment discussed beginning at page 45, line 14. According to such an exemplary embodiment, the system may manage interactions between one set of business rules created by a seller and another set created by the third party user, i.e., implementation of third party's business rules may be controlled with reference to the business rules of the seller. In one embodiment, the seller's rule(s) is(are) implemented before the third party's. In another embodiment, implementation of the third party's business rule(s) is(are) simply delayed. The language of claims 18-20 clearly covers these embodiments. Moreover, antecedent basis for the claim term "the at least one business rule" in claim 20 is provided in claim 13.

With regard to claims 23 and 24, the Applicants direct the Examiner's attention to the present specification beginning at page 23, line 4, in which one example of a mutually exclusive bid group is clearly supported and defined. Moreover, beginning at page 45, line 3, the present specification provides an example of how a third party user can create a business rule referring to a mutually exclusive bid group created by a buyer.

The Applicants submit that each of the claims to which the Examiner objected is clear on its face as well as clearly supported and illustrated in the specification as described above. The Applicants refer the Examiner to MPEP sections 2173.01 and 2173.02 which discuss the manner in which the definiteness of claim language should be evaluated by examiners. Significantly, these sections of the MPEP state that the "applicants are their own lexicographers," and that

"[d]efiniteness of claim language must be analyzed, not in a vacuum, but in light of...[t]he content of the particular application disclosure." Based on such criteria, the claim language to which the Examiner objected clearly satisfies the statutory requirements under 35 U.S.C. 112.

The Examiner rejected claims 1 and 25 under 35 U.S.C. 102(e) as being anticipated by U.S. Patent No. 6,260,024 (Shkedy). The Examiner also rejected claims 2-26 under 35 U.S.C. 103(a) as being unpatentable over Shkedy in view of the Official Notice taken by the Examiner of a wide variety of claim features. Claims 1 and 25 have been amended and the rejections are respectfully traversed.

Claims 1 and 25 have been amended to more clearly distinguish the claimed inventions from the prior art and the rejection is believed overcome thereby. More specifically these claims have been amended to recite that the manner in which the recited inventions can enable the third party to facilitate a transaction between the first and second parties is "by enabling the third party to cover at least part of a difference between the bid and ask prices" of the first and second parties. This claim feature is clearly not described or suggested by Shkedy.

In addition, the Applicants object to and traverse the Examiner's blanket use of Official Notice in the rejections under 35 U.S.C. 103. As stated by the CCPA in In re Ahlert 165 USPQ 418, 420 (and as repeated in MPEP 2144.03), such notice may be taken by the examiner only where the facts are "capable of such instant an unquestionable demonstration as to defy dispute." The MPEP goes on to state that "[i]f such notice is taken, the basis for such reasoning must be set forth explicitly. The examiner must provide specific factual findings predicated on sound technical and scientific reasoning to support his or her conclusion of common knowledge." In view of the technical and business obstacles to implementing the features in the rejected claims, it is the Applicants' position that none of the claim features for which the Examiner took Official Notice satisfy these criteria.

For example, the Examiner indicated that the features of claim 2 and 26 relating to the

third party covering a portion of the difference between the bid and ask prices was obvious based on some basic characteristics of the Internet and a contrived scenario involving what might occur between a fictitious company CEO, a company contractor, and a company program manager. No specific factual findings were provided. Thus, the Examiner's obligations in this regard are not fulfilled, and the rejection is believed insufficient on its face.

Similarly, the Examiner provided no basis for the rejection of the counteroffer limitation of claim 3, the acceptance limitation of claim 5, and the limitations relating to notification of one of the parties of claims 4 and 6. Neither did the Examiner provide any factual basis for rejecting the business rules related limitations of claims 13-20, the fourth party limitations of claims 21 and 22, or the mutually exclusive bid group limitations of claims 23 and 24. These rejections are also believed to be insufficient.

In view of the foregoing, the Applicants respectfully traverse the Examiner's rejection of claims 2-26 based on Official Notice and request that the Examiner provide adequate documentary evidence of the facts of which the Examiner has taken Official Notice.

In view of the foregoing, Applicants believe all claims now pending in this application are in condition for allowance. The issuance of a formal Notice of Allowance at an early date is respectfully requested. If the Examiner believes a telephone conference would expedite prosecution of this application, please telephone the undersigned at (510) 843-6200.

> Respectfully submitted, BEYER WEAVER & THOMAS, LLP

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